

Summary of Presentations*
NC Governor's Advisory Council on Aging
HOUSING FORUM

April 2, 2003

Welcome and Purpose of the Housing Forum

Phil Brown, Vice-Chair of Council; Housing Committee Chair

Ann Johnson, Chair of Council

Rev. Phil Brown, Vice-Chair of the Council and Housing Committee Chair, and Ann Johnson, Council Chair, welcomed participants and guests. Rev. Brown introduced the purpose of the housing forum. The Governor's Advisory Council on Aging strives to bring attention and make recommendations concerning issues and trends facing older adults. The Council has been struggling to develop recommendations to address housing needs of the elderly. According to Rev. Brown, "It has been very difficult to get a handle on housing needs of older adults in North Carolina."

The purpose of the housing forum was to clarify and discuss issues and trends concerning affordable housing for older adults. The Council is concerned that older adults have safe and accessible housing that includes basic necessities such as indoor plumbing and that is also affordable. Rev. Brown commented on many broad issues facing affordable housing for older adults such as:

- The importance of listening to the older adult's concerns of rights to privacy, choices, and services. It is very detrimental to place older adults in programs in which they would not easily adapt.
- The need to encourage affordable housing in local communities. All adults have a vested interest in improving the housing for the aging.
- The importance of younger adults planning living arrangements for the last fourth of their lives. However, the options are very limited.

Opening Remarks

Lt. Governor Beverly Perdue

Throughout Lt. Governor Beverly Perdue's career, she has been a strong advocate of the needs and concerns facing older adults. She has promoted legislation for older adults and accountability in adult care homes, and she has also led efforts in creative programming for older adults. In her opening remarks, Lt. Governor Perdue addressed the desire of the older person to have many choices of affordable housing and services as well as the right to privacy. She believes that the most important investment a person makes in their

*This summary was prepared by Jocelyn Fina, summer intern for the N.C. Division of Aging. lifetime is a house. Thirty-one percent of adults over the age of sixty own their own homes. While much progress has been made concerning older adults, many needs must still be met:

- Of adults over the age of sixty-five, 53% of renters spend more than thirty percent of their income on housing.
- The largest increase in the homeless population is of people age fifty-five or older.
- CAP/DA program must be encouraged and enlarged. The program allows older adults to remain in their homes.
- Other programs that must be supported and advocated for include the Prescription Drug Assistance Program funded by the Health and Wellness Trust Fund Commission the CAP/DA Medicaid waiver program, and the tax credit for long term care insurance.

National and State Resources for Housing

Housing Policy within NC Department of Health and Human Services

Julia Bick, NC Department of Health and Human Services

Julia Bick, representative for the Department of Health and Human Services, addressed three key developments in housing for older adults that the Department has made over the past year. Bick also addressed many key issues facing affordable housing for older adults. In May 2002, her position as Housing Coordinator was created in the Office of Long Term Care. This position concentrated on three main developments throughout last year:

1. **Improve housing capacity of the Department's agencies to maximize existing resources and work with the housing system for the benefit of consumers.** The Department's Housing Work Group was convened this fall in order to connect the housing system and human services system and to develop a means of communication between the two within state and local agencies.
2. **Expand Department's partnership with the Housing Finance Agency in Low Income Tax Credit developments.** The partnership was created to facilitate the integration of extremely low-income persons with disabilities and homeless populations into low income housing tax credit developments. Tax credit developments are the largest source of affordable housing production in the United States and create over 2000 quality rental units each year.
3. **More effectively engage the affordable housing industry to expand supported housing opportunities for the Department's constituents.** Homelessness has become a serious concern within today's society. New leadership from the Secretary's office revitalized the Interagency Council for Coordinating Homeless programs and a NC State Team participated in the first joint Federal agency sponsored policy academy on homelessness in the winter of 2002.

Bick made several key policy recommendations concerning affordable housing in North Carolina:

- Remove vocal opposition to affordable housing developments in local communities. NIMBY – "Not In My Backyard" syndrome is a barrier preventing affordable housing developments.

- Housing must be made affordable to the extremely low-income person. Without greatly expanded access to rental assistance or to operating subsidies, there is very little housing in North Carolina that is affordable to the poorest citizens.
- While rental assistance and housing operating subsidies are expensive, alternatives such as unnecessary institutional care, compromised physical and emotional health, family instability, and homelessness are also high costs.
- Be mindful of adopting an International Building Code with far less stringent accessibility requirements. The NC Building Code has some of the strongest accessibility requirements in the nation and has done much to expand the supply of accessible multifamily housing, provide housing opportunities to people with disabilities, and allow older adults to age in place as their physical needs change.

Proposed Building Code Changes

Leslie Young, Center for Universal Design (NC Coalition for Accessible Dwellings)

Leslie Young, representative for the NC Coalition for Accessible Dwellings, advocated against proposed American Institute of Architects (AIA) building code changes currently pending in a bill before the NC General Assembly. These four changes are:

1. Unamended International Building Code,
2. Modified Code Council and Modified Interpretive Process
3. Design and Construction Agency Streamlining
4. Professional Service Tax

These have a significant negative impact for people with disabilities and older adults such as

- loss of future accessible housing
- prohibition of future state code amendments to improve accessibility
- compliance confusion that will slow down the design and inspection process

Key issues examined are:

- **Closed Change Process.** The proposed bill would reduce the open consensus process that has characterized the Building Code Council in the past by restructuring, relocating, and restaffing the Council. North Carolina would have an out-of-state controlled code making and interpreting the process.
- **Loss of future accessible housing.** The proposed legislation would cut the requirement that five percent of eleven or more dwelling units of multi-family housing be “fully accessible” to two percent of twenty or more dwelling units.
- **Future State Code Amendments Prohibited.** Future changes in technical design requirements and number of accessible units would need to be proposed to International Building Code Council or be introduced as a law at the state level. Both of these options would be very difficult, time consuming, and unlikely.
- **Out-of-State Code Interpretations.** North Carolina would have to accept the International Code Council’s interpretations on the new code’s technical requirements, which would eliminate state level decision-making.

- **Compliance Confusion.** Adoption of the International Building Code without amendments would leave state and city-owned Title II facilities without an accessibility code.

Housing Trust Fund

Steve Culnon, NC Housing Finance Agency

Steve Culnon, Director of Rental Investment with the NC Housing Finance Agency, discussed the need to increase the Housing Trust Fund. One hundred and eighty million dollars has been given to elderly housing in the past three years. The Trust Fund is used to assist in rental units and home repairs. About one hundred and forty projects have been petitioned to finance this year; however, the Trust Fund will only be able to finance about forty. Additional Trust Fund money is needed.

Section 202 Program

Brenda Ward, US Department of Housing and Urban Development

The Section 202 program provides housing and supportive services to the elderly as well as rental assistance. Section 202 seeks to provide a sense of community to its residents and to be “not just housing.” The program seeks non-profit sponsors to assist in services. If you have questions or interests contact Brenda Ward at 336-547-4069.

Bill Hobbs, US Department of Agriculture, Rural Development

Bill Hobbs, Director of the Family Housing Program, discussed many of the grants and loans that Rural Development provides for affordable housing for older adults.

- **504 in Rural Development** is a one million dollar grant for low-income individuals or multifamilies who own their own homes to remove safety and health issues. This grant is used to install ramps, indoor plumbing, electricity, running water and other home modifications. However, the waiting list exceeds the grant money that Rural Development has, which causes many people to wait at least a year for home improvements. Rural Development also partners with Urgent Repair funds and Weatherization funds to help to repair homes and remove safety and health issues so that older adults can age in place.
- **502 Home Ownership Program** is for very low-income families and provides 100% financing to build and construct a new home. This program does not discriminate based on age.
- **515 Multifamily Housing Program** is a community facilities loan and grant program. The program provides homes for older adults that are maintenance free and are equipped with special amenities such as handrails, call buttons, and wheelchair accessibility. The program also has a rental assistance program and strives to make rent affordable to low income. Adults will pay no more than 30% of their income. In North Carolina, the program has also funded an intergenerational day care facility.

Continuing Care Retirement Communities (CCRC)

Lucy Bode, NC Medical Care Commission

Lucy Bode, Chair of the NC Medical Care Commission for three terms, discussed the affordability of continuing care retirement communities to low and moderate income seniors in North Carolina. Over one billion dollars has been provided to finance CCRCs in North Carolina in the form of bonds. North Carolina is one of the few states to issue bonds to CCRCs because of the difficulty in making such a facility financially strong. Bode discussed the need for CCRCs to be available to all older adults, not just the wealthiest 10%-15% and to be dedicated to providing good quality of life to as many of the less fortunate as possible. Currently only two of 25 CCRCs have a HUD component. The Commission would like to continue working on several goals and developments concerning CCRCs. These include:

- Working with each facility to provide scholarships and aid and to also improve diversity within CCRCs.
- Creating innovative ways to provide financial options for people at all economic levels.
- Creating acute awareness of obligations for CCRCs and communities to reach out to all adults.
- Encouraging partnerships with other organizations to provide innovative efforts to provide funding and offer affordable housing options to as many people as possible.

Rev. Joseph Mann, The Duke Endowment, Rural Church Division

Rev. Mann was unable to attend the Housing Forum; however, he may be contacted at 704-376-0291 concerning the Duke Endowment and its partnership with other agencies concerning affordable housing for the aging.

Local Initiatives in Housing

Shared Group Residences

Cynthia Davis, Mid-East Development Corporation (MEDC)

Cynthia Davis, representative for the Mid-East Area Agency on Aging, discussed the development of shared group residences (SGR) in her area. The Mid-East Commission Area Agency on Aging created the non-profit Mid-East Development Corporation in 1991 and have developed SGRs under this entity. Residents of SGRs live in a large home-style setting, in which they share common areas such as the living room, dining room, kitchen, and porch, yet maintain private living space (bedroom and bathroom.) According to Ms. Davis, “the shared group residences work like an extended family or a ‘family of choice.’”

The advantages to SGRs include security, companionship, affordability, supportive services, modern conveniences, accessibility, privacy, and a family style setting. A typical person that may choose to live in an SGR is a widow in her mid-seventies to mid-eighties; however, many men also choose shared group living arrangements. The person generally desires affordability, companionship, security, and a need for private space. Key issues concerning shared group homes include:

- **Location.** Shared group residences are usually located in a quiet, residential area where residents can enjoy walking around a peaceful neighborhood or sitting on a large wrap-around porch or gazebo. It is also important that the SGR be convenient to shopping, medical clinics, churches, and recreational activities. MEDC has two SGRs - one in Ahoskie and the other in Farmville and is assisting the Lumber River Area Agency on Aging to build a home in Bladenboro.
- **Affordability.** SGRs are made affordable due to rental assistance from USDA - rent is adjusted based on a resident's adjusted income. The resident pays thirty percent of their adjusted income to rent, which also includes utilities. Allowances are made for out-of-pocket medical expenditures. An aging adult qualifies to live in an SGR if he or she is below 50% of the county's median adjusted income limits.
- **Supportive Services.** Many supportive services are provided by local aging service providers. A resident can choose to participate in all of these services or may decide to "enhance their independence" and only choose a few. Some of these services include one hot nutritious meal a day, seven days a week; weekly transportation to local places such as the grocery store, bank, shopping, beauty shop; activities and crafts; cleaning of the common areas; and health screening and wellness activities.
- **Collaborative Partnerships.** The development of SGRs involves many collaborative partnerships. Partnerships with the federal and state levels have included the USDA Rural Development, NC Housing Finance Agency, and NC Division of Aging. At the local level the municipal government has assisted with providing land and the Council on Aging acts as the service provider. Collaborative partnerships with the private sector include property management and services such as utilities and maintenance. A non-profit partnership in the development of the two SGRs in the Mid-East was the Mid-East Development Corporation. Funding sources for the two SGRs came from US Rural Development, NC Housing Finance Agency, and the Town, which donated land.
- **Community Involvement.** Strong support and involvement from the community and neighbors is very important to the success of an SGR. Local government, aging network, and service providers are also key to the development of an SGR. SGR provides a creative approach to providing affordable housing to the aging at the local level. SGRs are a positive investment and commitment by state and federal funders.

Universal Design in Housing for Older Adults

Sally Haile, NC State University, Center for Universal Design

Sally Haile, a representative from NC State University's Center for Universal Design, spoke about the Center's collaboration with other organizations to develop and promote accessible and universal design in housing for older adults in North Carolina. Several years ago, the Center worked with the aging network in North Carolina on a home modification and assessment program for seniors. The Center has four main interests – research, design, training, and outreach. All four of these interests have combined with other state and national organizations to provide better housing to older adults. A few of these collaborative efforts include:

- **Habitat for Humanity.** The Center trained volunteers for Habitat for Humanity to build eighteen homes with universal features. This collaborative effort showed that it is possible to make affordable homes with universal features.
- **Lowes Home Improvements.** The Center collaborated with Lowes to target the needs of consumers better and to mainstream universal design.
- **Certified Agency and Place Specialist Training.** The Center in conjunction with the National Association of Home Builders created a *Directory of Successful Building Products* which evolved into a Certified Agency and Place Specialist Training Program. The program trains remodelers and occupational therapists, recognizes the housing needs of older adults, supports educating seniors on housing issues and products, and links seniors to funding resources.

Aging in Place and Naturally Occurring Retirement Communities Jack Chestnut, Carol Woods Retirement Community

Jack Chestnut, representative from Carol Woods Retirement Community, discussed the need for local communities to plan ahead for the type of support and services that will be needed for the increasing older population to age in place. He stressed that it is impossible to build enough CCRCs to serve the over seventy million sixty-five plus year olds in the United States. By 2020, in Orange County where Carol Woods is located, projections show the over sixty-five population to grow by an astronomical 123%. When the aging are forced out of their homes before they need to be, many times they go to a higher level of care which costs the state more. In the year 2000, AARP did a survey in which eighty percent of people surveyed wanted to stay in their homes.

In 1999, Orange County Commissioners created a Master Aging Plan in which they studied where people wanted to age and how to pay for service coordination in areas. The goal was to provide an adequate supply of safe, suitable, affordable housing for older adults of Orange County. Some of the findings and recommendations from this Master Plan include:

- **Service Coordination.** One main problem in Orange County is that the service coordination in Chapel Hill is not connected to the agencies or NC Division of Aging. Mr. Chestnut feels the NC DOA should hire service coordinators for the different counties. The DOA has strong ties with county commissioners and would do a better job than a coordinator in a different state.
- **Incentives for Builders.** Incentives should be developed for architects and builders to design aging in place and have them realize that there is money in developing senior housing. It is also important to educate consumers on aging in place. Counties could do this by having programs at senior centers and other locations as well as talking to the community about what is needed to age in place.
- **NORCs.** In Chicago, residents live in an apartment building and have all services within walking distance so that there is no need for a car. He stressed the need to convince builders that there is money in building and developing Naturally Occurring Retirement Communities (NORCs.) NORCs help people age in place longer. In the Timberline community in Chapel Hill, people live in apartments within walking distance of doctors' offices, post office, drug store, restaurants, as well as free transportation. It is important to

build housing for the elderly within towns and not in isolated areas where services do not exist.

- **Certified Aging in Place Specialists.** The National Home Builders Association should have Certified Aging in Place Specialist that would train people to age in place. Interested developers and builders could become certified as specialists in order to make recommendations on aging in place to homeowners.

Manufactured Housing

Amanda Abrams, NC Low-Income Housing Coalition

Amanda Abrams, policy director for NC Low-Income Housing Coalition, discussed manufactured housing as a viable option for low-income aging citizens. Currently, manufactured housing exists in many areas, particularly rural communities, of North Carolina. In Asheville, a manufactured housing retirement community exists. Manufactured housing makes up about sixteen percent of homes in North Carolina. The new homes in many counties are overwhelmingly manufactured homes. Ms. Abrams noted that “manufactured housing is a huge source of affordable housing for North Carolina’s low-income and could improve the lives of many.”

Manufactured housing is inexpensive and gives the resident a sense of ownership they do not feel when renting an apartment. According to Abrams, manufacture housing is “cheap, quick, better quality than in the past, and their reputation is catching up.” While there are many positives, currently many drawbacks also exist. However, policy recommendations have been created that address these drawbacks:

- **Classification as Real Estate.** Manufactured homes do not tend to appreciate over time. Manufactured homes are currently classified as a car and not as real estate. Because of this, the consumer may pay double the interest rate on a manufactured home compared to a traditional home. Manufactured housing is seen as a consumer purchase and not as a lifetime investment. The Manufactured Home Institute is interested in classifying manufactured homes as real estate in order to benefit and protect the consumer and in time have the homes appreciate in value
- **Displayed Prices.** Manufactured Home Institute would also like prices of homes to be displayed permanently on homes to ensure that all consumers are getting quoted the same price. Currently, a consumer may be asked their income or how much they pay for rent before being quoted a price. However, because prices vary by the land the manufactured house is placed, prices will never be completely standardized.
- **Laws to Protect the Consumer.** Transactions are not covered under traditional real estate disclosure laws. Laws should be put in place that protect the consumer. For example, deposits on manufactured homes should be placed in escrow accounts and consumers should have three days to cancel a transaction.
- **Increase Minimum Move-Out Period.** Time for residents of “trailer parks” to move off land when owner sells it should be increased from one month to three to six months. It may cost a resident up to two thousand dollars to move and many parks will not accept older homes so that a resident is forced to travel a long distance in search of a place to move his manufactured housing.

- **Increase Consumer Representation.** More consumer representation on the Manufactured Housing Board is also needed. The Manufactured Housing Board mediates disputes between the industry and consumer. Currently, the board consists of one commissioner of insurance, six industry representatives, and two consumer representatives.
- **Better Educate Consumers.** Consumers need to be better educated on manufactured housing. The NC Low-Income Housing Coalition has put together a book, *Consumers Guide to Manufactured Housing*, that educates consumers on what they should be looking for when searching for a manufactured home.

Public Housing for the Elderly

Allison Hapgood, Raleigh Housing Authority

Allison Hapgood with the Raleigh Housing Authority, shared information about their program. They currently have two designated public housing communities for seniors. Because these communities have been difficult to occupy recently, the minimum age limit has dropped to fifty from sixty-two. Both developments were constructed in the 1970s. One is fourteen stories tall; the other is seven stories tall. It is very difficult to find residents to live above the fourth or fifth floor. One of the other main deficiencies is that there is not enough space in each apartment. There is not enough living space for residents to house live-in aids. Rent is based on adjusted income and utilities are included. The Housing Authority recently developed a new modern facility, Parkview Manor, under a tax credit program which is targeted to seniors and this filled up in two months.

The Raleigh Housing Authority has used creative measures in order to make the two highrise public housing communities more marketable. Some of these measures include:

- **Improve aesthetic features.** Wallpaper, chandeliers, ceiling fans, decorative furnishings, grills, and games such as shuffleboard have been added to the communities as well as a lobby sitting area with a television, exercise room, and computer center.
- **Increase community services.** Raleigh Housing Authority exchanges extra space it may have for services. In exchange for space, Meals on Wheels provides meals for residents in the communities Monday-Friday. The Housing Authority exchanged building space with Christ Church for programming and gardening. The Housing Authority also takes advantage of volunteers within the community such as student interns, churches, and groups such as the literacy council.
- **Improve safety.** The Public Housing Drug Elimination Grant used for a security measure over the last twelve years, was recently eliminated. The grant had been used to install video cameras, key pad entry doors, and to hire security guards. The two communities continue to have strong safety measures and screen all employees and applicants before accepted as well as use off duty police as security guards.